



STATE OF CALIFORNIA BUSINESS TRANSPORTATION AND HOUSING AGENCY
**CALIFORNIA INFRASTRUCTURE AND
ECONOMIC DEVELOPMENT BANK**



Santa Barbara Center for Performing Arts



Buck Institute for Age Research



Walt Disney Family Museum - Photo by Ric Miller
Courtesy of the Walt Disney Family Museum

City of El Segundo Douglas Street
Gap Closure Project



City of Porterville Eastside Water
Improvement Projects



Los Osos Community Services District
Water Capital Improvements Project





ANNUAL ACTIVITY REPORT FISCAL YEAR 2009/2010

INTRODUCTION

This report is submitted in accordance with Government Code Section 63035, which requires the California Infrastructure and Economic Development Bank (I-Bank) to submit to the Governor and the Joint Legislative Budget Committee a report of its activities for the preceding fiscal year. This Annual Report includes:

- (a) (1) A listing of applications accepted, including a description of the expected employment impact of each project.
- (2) A separate summary of applications for the Infrastructure State Revolving Fund Program, including a summary of the number of preliminary applications that did not receive funding and the reason the applicant did not qualify.
- (b) A specification of bonds sold, and interest rates thereon.
- (c) The amount of other public and private funds leveraged by the assistance provided.
- (d) A report of revenues and expenditures for the preceding fiscal year, including all of the I-Bank's costs. The information provided pursuant to this subdivision shall include, but need not be limited to, both of the following:
 - (1) The amount and source of total bank revenues. Revenues shall be shown by main categories of revenues, including interest earnings, fees collected, and bond proceeds, for each bank program.
 - (2) The amount and type of total bank expenditures. Expenditures shall be shown by major categories of expenditures, including loans provided, debt service payments, and program support costs, for each bank program.
- (e) A projection of the I-Bank's needs and requirements for the coming year.
- (f) Recommendations for changes in state and federal law necessary to meet the objectives of this division.

I-BANK OVERVIEW

The I-Bank, housed within the State of California's Business, Transportation and Housing Agency, has a mission to finance public infrastructure and private development that promote economic development, revitalize communities, and enhance the quality of life throughout California. The I-Bank's primary programs include the Infrastructure State Revolving Fund (ISRF) Program that provides direct low-cost financing to public agencies for a wide variety of public infrastructure projects, and Bond Financing Programs that provide tax-exempt conduit revenue bond financing for qualified manufacturing companies, nonprofit organizations, public agencies, other eligible entities, and revenue bond financing for the I-Bank's own ISRF Program.



**SUMMARY OF I-BANK ACTIVITIES DURING
FISCAL YEAR 2009/2010**

- (a) (1) A listing of applications accepted, including a description of the expected employment impact of each project.

A summary of Preliminary Applications received is as follows:

Program	Number of Preliminary Applications Received	Financing Amount Requested
ISRF Program	14	\$29,597,760
Bond Financing Programs	2	\$9,850,000
Total Amount	16	\$39,447,760

A summary of Financing Applications received is as follows:

Program	Number of Financing Applications Received	Financing Amount Requested
ISRF Program	4	\$6,020,000
Bond Financing Programs	13	\$814,310,000
Total Amount	17	\$820,330,000

A listing of these applications is contained in the following appendices:

- **Appendix 1—ISRF Program Preliminary Applications Received**
- **Appendix 2—Bond Financing Programs Preliminary Applications Received**
- **Appendix 3—ISRF Program Financing Applications Received**
- **Appendix 4—Bond Financing Programs Financing Applications Received**

Note: See subsection (b) below for expected employment impacts for approved ISRF Program loans.

- (2) A separate summary of applications for the ISRF Program, including a summary of the number of preliminary applications that did not receive funding and the reason the applicant did not qualify.

The summary of ISRF Program applications is found in **Appendices 1 and 3**. A summary of the ISRF Program preliminary applications and financing applications that did not receive funding, including the reasons the application did not proceed is contained in **Appendix 5—ISRF Program Preliminary Applications and Financing Applications Withdrawn or Inactive**.



- (b) Specification of bonds sold and interest rates thereon.

A summary of bonds sold is contained in the following table along with a summary of Board approved ISRF Program loans (although approved loans are not required to be reported per Government Code Section 63035¹.)

	Number of Loans Approved and Bonds Sold	Expected Employment Impacts— Estimated Jobs²	Financing Amount	Leverage
ISRF Program Approved Loans	3	77	\$17,000,000	\$2,276,969
Bond Financing Programs Bonds Sold	17	2,585	\$985,885,000	\$78,478,270
TOTAL APPROVED LOANS AND BONDS SOLD	20	2,662	\$1,002,885,000	\$80,755,239

Appendix 6—ISRF Program Loans Approved and **Appendix 7—Bond Financing Programs Bonds Sold** contain a detailed listing of the loans approved and bonds sold during Fiscal Year 2009/2010, along with expected employment impacts, and other project and financing information.

- (c) Amount of other public and private funds leveraged by the assistance provided.

See chart above and **Appendices 6 and 7** for leverage information.

- (d) A report of revenues and expenditures for the preceding fiscal year, including all of the I-Bank's costs. The information provided pursuant to this subdivision shall include, but need not be limited to, both of the following:
- (1) The amount and source of total bank revenues. Revenues shall be shown by main categories of revenues, including interest earnings, fees collected, and bond proceeds, for each bank program.
 - (2) The amount and type of total bank expenditures. Expenditures shall be shown by major categories of expenditures, including loans provided, debt service payments, and program support costs, for each bank program.

Appendix 8—Audited Statement of Revenues, Expenses, and Changes In Net Assets of the California Infrastructure and Economic Development Bank contains the audited revenues and expenses of the I-Bank's two funds, the California Infrastructure and Economic Development (CIEDB) Fund and the California Infrastructure Guarantee Trust Fund (Guarantee Trust Fund). The audit is prepared on a full accrual basis.

¹ Applications for several loans and bonds approved in the 2009/2010 fiscal year were submitted in the prior fiscal year.

² Includes both construction jobs and full-time equivalent jobs.



Appendix 9—Statement of Cash Flows By Program of the California Infrastructure and Economic Development Bank contains cash flows by program for the CIEDB Fund and the Guarantee Trust Fund.

- (e) A projection of the I-Bank's needs and requirements for the coming year.

During the 2010/2011 fiscal year, the I-Bank intends to maximize available staffing resources to determine if there are any remaining or ongoing American Recovery and Reinvestment Act (ARRA) financial resources that would be available to the I-Bank's current customer base, and/or to fund new programs that will facilitate full-time, long-term employment in the State. Due to furloughs and historical staffing shortages, the I-Bank was unable to take advantage of any ARRA funding in the 2009/2010 fiscal year. Some of these new ARRA programs may require additional State funding and additional staffing, facility and/or equipment resources.

- (f) Recommendations for changes in State and Federal law necessary to meet the objectives of this division.

In 2010/2011, the I-Bank is coordinating with the Department of Water Resources to recommend statutory changes to the Government Code to facilitate the administration of the Infrastructure Loan Guarantee Fund's loan guarantee commitment for the Imperial Irrigation District. The I-Bank does not recommend any changes in State or Federal law at this time for existing programs. It is unknown if any changes to State or Federal laws will be necessary to facilitate the administration of any new ARRA programs or other new economic development programs.

APPENDICES

Appendix 1—ISRF Program Preliminary Applications Received

Appendix 2—Bond Financing Programs Preliminary Applications Received

Appendix 3—ISRF Program Financing Applications Received

Appendix 4—Bond Financing Programs Financing Applications Received

**Appendix 5—ISRF Program Preliminary Applications and Financing Applications
Withdrawn or Inactive**

Appendix 6—ISRF Program Loans Approved

Appendix 7—Bond Financing Programs Bonds Sold

**Appendix 8—Audited Statement of Revenues, Expenses and Changes in Net Assets
of the California Infrastructure and Economic Development Bank**

**Appendix 9—Statement of Cash Flows By Program of the California Infrastructure
and Economic Development Bank**

APPENDIX 1—ISRF PROGRAM PRELIMINARY APPLICATIONS RECEIVED
Fiscal Year 2009/2010

Name of Applicant	Project Location	Proposed Project Description	Amount Requested
Malaga County Water District	County of Fresno	Water Supply, Water Treatment and Distribution: Construct water well number 8.	\$760,000
Malaga County Water District	County of Fresno	Sewage Collection and Treatment: Wastewater treatment facility upgrade to install dissolved air flotation clarifier and ultra violet disinfection equipment.	\$760,000
Contra Costa County Service Area M-28	County of Contra Costa	Water Treatment and Distribution: Upgrade water treatment structure housing distribution equipment serving a mobile home park.	\$1,111,367
Lake County Redevelopment Agency	County of Lake	Public Transit: Construct a 40 space public parking facility.	\$300,000
City of Arroyo Grande	City of Arroyo Grande	Public Safety Facility: Construct a 14,500 square foot police station and related site improvements.	\$4,500,000
City of Capitola	City of Capitola	Educational Facility: Acquire and rehabilitate a building to serve as a library.	\$2,000,000
Siskiyou County Department of General Services	County of Siskiyou	Solid Waste Collection and Disposal: Construct a recycling/transfer station.	\$2,000,000
City of Emeryville Redevelopment Agency	City of Emeryville	Public Transit: Construct a 125 space public parking facility within transit center development.	\$2,000,000
City of Porterville	City of Porterville	Water Supply, Water Treatment and Distribution: Construct a 550,000 gallon water reservoir.	\$1,500,000
El Dorado County Fire Protection District	County of El Dorado	Public Safety: Construct a 9,094 square foot fire station and the purchase and installation of related improvements and equipment.	\$2,500,000
City of Isleton	City of Isleton	Sewage Collection and Treatment: Rehabilitate waste water treatment plant.	\$421,493
Arcade Creek Recreation and Park District	County of Sacramento	Parks and Recreational Facility: Construct a sports facilities, parking and landscaping.	\$500,000
South Feather Water and Power Agency	County of Butte	Water Treatment and Distribution: Construct expansion to an existing water treatment plant.	\$10,000,000
McKinleyville Community Services District	County of Humboldt	Water Treatment and Distribution: Construct Ramey pump station upgrade.	\$1,244,900

APPENDIX 1—ISRF PROGRAM PRELIMINARY APPLICATIONS RECEIVED

Fiscal Year 2009/2010

Name of Applicant	Project Location	Proposed Project Description	Amount Requested
Total ISRF Program Preliminary Applications Received	14		\$29,597,760

APPENDIX 2—BOND FINANCING PROGRAMS PRELIMINARY APPLICATIONS RECEIVED
Fiscal Year 2009/2010

Name of Applicant	Project Location	Type of Financing³	Proposed Project Description	Amount Requested
All Sato Kreis Holding, LLC	City of Stockton	IDB	Acquire, construct, develop and equip improvements to two structures (one containing 17,000 square feet and one containing 13,000 square feet) on approximately 45,000 square feet of land.	\$2,500,000
Solar Atmospheres, Inc.	City of Fontana	IDB	Acquire a 21,750 square foot building on a 2.49 acre parcel and acquire and install new equipment including multiple vacuum furnaces, ranging in size from two to 24 feet in length.	\$7,350,000
Total Bond Financing Programs Preliminary Applications Received	2			\$9,850,000

³ “IDB” means industrial development conduit revenue bond. IDBs are the only applicants to the Bond Financing Programs that submit a Preliminary Application. All other Bonds Financing Programs applicants only submit Financing Applications.

APPENDIX 3—ISRF PROGRAM FINANCING APPLICATIONS RECEIVED
Fiscal Year 2009/2010

Name of Applicant	Project Location	Proposed Project Description	Amount Requested
Highlands Recreation District	County of San Mateo	Educational Facility: Construct a child development and multipurpose senior center.	\$2,000,000
Malaga County Water District	County of Fresno	Water Supply, Water Treatment and Distribution: Construct water well number 8.	\$760,000
Malaga County Water District	County of Fresno	Sewage Collection and Treatment: Construct wastewater treatment facility upgrade with the installation of dissolved air flotation clarifier and ultra violet disinfection.	\$760,000
El Dorado County Fire Protection District	County of El Dorado	Public Safety Facility: Construct a 9,094 square foot fire station and the purchase and installation of related improvements and equipment.	\$2,500,000
Total ISRF Program Financing Applications Received	4		\$6,020,000

APPENDIX 4—BOND FINANCING PROGRAM FINANCING APPLICATIONS RECEIVED
Fiscal Year 2009/2010

Name of Applicant	Project Location	Type of Financing⁴	Proposed Project Description	Amount Requested
Pacific Gas and Electric Company	Sonoma, Mendocino, San Louis Obispo and Lake Counties	Exempt Facility	Refund bonds previously issued by the I-Bank in 2008 to take advantage of a provision of the federal American Recovery and Reinvestment Act permitting the refunding of tax-exempt bonds bearing interest that is subject to the Alternative Minimum Tax through the issuance of bonds bearing interest that is not subject to the AMT.	\$308,550,000
Pueblo Serra Worship Holdings	City of San Juan Capistrano	501(c)(3)	Refund existing tax-exempt Colorado Educational and Cultural Facilities Authority and refinance outstanding taxable loans.	\$56,550,000
Children's Institute	City of Los Angeles	501(c)(3)	Finance the acquisition and renovation of property located at 2117-2121 W. Temple Street & 424 N. Lake Street, Los Angeles, CA to include: one 20,000 square-foot building and one 29,880 square foot building to provide a blend of clinical, educational and community services in an area of extremely high need and low resources.	\$12,640,000
Goodwill Industries of San Joaquin Valley, Inc.	City of Modesto	501(c)(3)	Finance the acquisition of a 62,726 square foot parcel of land and a 14,652 square foot building to house a thrift store and job training facility.	\$1,820,000
Campus Facilities Improvement Association	City of San Francisco	501(c)(3)	Finance the construction of a five-story 237,000 square foot lab facility including presentation rooms, clinic space, patient care, labs, lab support, vivarium, offices and building support areas.	\$250,000,000
Wildwood School Inc.	City of Los Angeles	501(c)(3)	Refund existing tax-exempt California Statewide Communities Development Authority, Series 1999 Bonds and tax-exempt CSCDA, Series 2001 Bonds ; and to finance additional improvements.	\$9,000,000

⁴ "501(c)(3)" means qualified 501(c)(3) conduit revenue bond or loan.

APPENDIX 4—BOND FINANCING PROGRAM FINANCING APPLICATIONS RECEIVED
Fiscal Year 2009/2010

Name of Applicant	Project Location	Type of Financing⁴	Proposed Project Description	Amount Requested
Los Angeles Council of American Youth Hostels, Inc. and/or American Youth Hostels, Inc.	City of Santa Monica	501(c)(3)	Refund existing tax-exempt California Statewide Communities Development Authority.	\$2,850,000
SRI International	City of Menlo Park	501(c)(3)	Finance all or a portion of the costs of: modernization upgrades and improvements to existing laboratory facilities in Buildings P and T; seismic retrofit of Building E; and acquisition and installation of site chiller equipment and related infrastructure.	\$15,000,000
Guided Discoveries, Inc.	Cities of Avalon and Idyllwild	501(c)(3)	Refund I-Bank Bonds issued in 2002 and finance all or a portion of the costs of upgrades and improvements to existing facilities.	\$4,900,000
Pepperdine University	City of Malibu	501(c)(3)	Refund all the outstanding tax-exempt California Educational Facilities Authority (CEFA) Revenue Bonds Series 1999 A.	\$16,000,000
Sanford Consortium for Regenerative Medicine	City of San Diego	501(c)(3)	Construct a 145,087 square-foot biomedical research facility in which scientists will work in focused teams to address critical health issues using cutting-edge science and technology.	\$62,000,000
Buck Institute for Age Research	City of Novato	501(c)(3)	Construct a 65,700 square-foot stem cell research facility and refund up to \$10 million of the outstanding \$55,600,000 of California Infrastructure and Economic Development Bank Variable Rate Demand Revenue Bonds, Series 2001.	\$30,000,000
USC Health Science Building, LLC	City of Los Angeles	501(c)(3)	Finance the demolition of an existing 95,000 square foot structure situated on a 5.34 acre parcel, and of the construction of a three story 120,000 square foot building with an adjacent courtyard and exterior multipurpose space.	\$45,000,000
Total Bond Financing Programs Financing Applications Received	13			\$814,310,000

**APPENDIX 5—ISRF PROGRAM PRELIMINARY APPLICATIONS
AND FINANCING APPLICATIONS WITHDRAWN OR INACTIVE**
Fiscal Year 2009/2010

Applicant	Applicant	Applicant	Applicant	Date Received	Date Withdrawn/ Made Inactive	Reason(s)
PRELIMINARY APPLICATIONS						
Contra Costa County Service Area M-28	County of Contra Costa	\$1,111,367	Water Treatment and Distribution: Upgrade water treatment structure housing distribution equipment serving a mobile home park.	7/14/2009	7/31/2009	Applicant requested preliminary application be withdrawn due to ineligibility with tax-exempt credit criteria.
Lake County Redevelopment Agency	County of Lake	\$300,000	Public Transit: Construct a 40 stall public parking structure.	7/27/2009	9/23/2009	Applicant requested preliminary application be inactivated due to developer's inability to obtain other sources of project financing.
City of Capitola	City of Capitola	\$2,000,000	Educational Facilities: Acquire and rehabilitate a vacant historical building to create a public library.	9/9/2009	02/10/2010	Applicant requested preliminary application be inactivated due to issues with project site selection.
County of Siskiyou	County of Siskiyou	\$2,000,000	Solid Waste Collection and Treatment: Construct a recycling transfer station.	10/8/2009	06/07/2010	Applicant requested preliminary application be withdrawn due to inadequate cash-flow to support proposed debt.
City of Isleton	City of Isleton	\$421,493	Sewage Collection and Treatment: Remove and replace the main sewer line at the Isleton Waste Water Treatment Plant.	2/2/2010	4/30/2010	I-Bank inactivated preliminary application due to applicant's non-responsiveness.
South Feather Water and Power Agency	Butte County	\$10,000,000	Water Supply, Water Treatment and Distribution: Expand the Miners Ranch Water Treatment Plant.	2/5/2010	6/9/2010	Applicant requested preliminary application be withdrawn due to ineligibility with tax-exempt credit criteria.
City of Delano Redevelopment Agency	City of Delano	10,000,000	Public Safety: Delano Police Department Facility.	10/9/2008	6/24/2010	Applicant requested preliminary application be withdrawn due to a decision not to use tax increment as source of repayment.
City of Delano	City of Delano	6,583,025	Public Safety: Delano Police Department Facility.	10/9/2008	6/24/2010	I-Bank withdrew preliminary application due to unidentified change in sources of funds for project.
FINANCING APPLICATIONS						
Malaga County Water District	County of Fresno	\$760,000	Water Supply, Water Treatment and Distribution: Construction of Water Well No. 8.	4/19/2010	6/2/2010	Applicant requested financing application be inactivated due to ineligibility with program credit criteria.

**APPENDIX 5—ISRF PROGRAM PRELIMINARY APPLICATIONS
AND FINANCING APPLICATIONS WITHDRAWN OR INACTIVE**
Fiscal Year 2009/2010

Applicant	Applicant	Applicant	Applicant	Date Received	Date Withdrawn/ Made Inactive	Reason(s)
Malaga County Water District	County of Fresno	\$760,000	Sewage Collection and Treatment: Construction of dissolved air flotation clarifier improvements and ultra violet disinfection improvements.	4/19/2010	6/2/2010	Applicant requested financing application be inactivated due to ineligibility with program credit criteria.
Highlands Recreation District	City of San Mateo	\$2,000,000	Educational Facility: Construct a child development and multipurpose senior center.	9/9/2009	4/30/2010	Applicant requested financing application be withdrawn due to ineligibility with program credit criteria.
Borrego Water District	County of San Diego	\$5,400,000	Water Supply, Water Treatment and Distribution: Construct two new wells and two new reservoirs with transmission mains and appurtenances.	8/26/2009	6/15/2010	I-Bank withdrew the application before Board consideration due to ineligibility with program credit criteria.
East Orange County Water District	County of Orange	\$1,900,000	Water Supply, Water Treatment and Distribution: Construct a new water well and the replacement of 2,100 linear feet of pipeline.	6/27/2007	9/14/2009	Applicant requested the withdrawal of the Board-approved loan due to District merger with another municipal entity.
Total ISRF Program Preliminary Applications and Financing Applications Withdrawn or Inactive	13	\$43,235,885				

APPENDIX 6—ISRF PROGRAM LOANS APPROVED

Fiscal Year 2009/2010

Name of Borrower	Project Location	Interest Rate	Project Description	Public Benefits (Including Expected Employment Impact) ⁵	Financing Amount	Leverage
City of Porterville	City of Porterville,	3.31%	Water Supply, Water Treatment and Distribution: Construct the Rocky Hill Reservoir providing additional 550,000 gallon water capacity.	Provides water infrastructure improvements to encourage growth in the City's economy by supporting industrial/commercial infill development resulting in more compact development and the conservation of agricultural land and provides water supply and distribution capacity through the year 2015. Estimated construction payroll of entire project is \$297,450 creating 7.2 construction jobs.	\$1,500,000	\$195,000
City of Paramount	City of Paramount	3.31%	Drainage, Water Supply, and Flood Control, and Water Treatment and Distribution: Design and construct and install a new water well, related pumps, motors, valves, controls, communications equipment, secondary well head treatment system, storm drain and sewer connections.	This project represents the sixth of a total of eleven Capital improvement projects in the City's Water Master Plan that will increase water supply efficiency, economy, and reliability. The project will permit increased ground water delivery capacity to meet current and future demands, but will also allow the City to charge lower water rates for existing and future customers instead of purchasing more expensive imported surface water. The lower rates attract businesses to the community especially manufactures that use water as part of the manufacturing process. Estimated construction payroll of \$1,309,545 creating 24.4 construction jobs.	\$5,500,000	\$1,580,009

⁵ Estimated construction payroll is calculated at 20% of total project construction costs (the average of receipts-to-payroll for the construction industry). Construction jobs are calculated on a person year basis rather than on a permanent basis by dividing the estimated construction payroll by the average annual wage for construction in the county in which the Project is located. County level construction wage data was obtained from the Employment Development Department's website at www.labormarketinfo.edd.ca.gov. County construction wage data for calendar year 2009 was used to calculate estimated construction jobs.

APPENDIX 6—ISRF PROGRAM LOANS APPROVED

Fiscal Year 2009/2010

Name of Borrower	Project Location	Interest Rate	Project Description	Public Benefits (Including Expected Employment Impact) ⁵		Financing Amount	Leverage
North Tahoe Fire Protection District	County of Placer	3.27%	Public Safety Facility: Design and construct a public safety center including administrative offices, training facilities/emergency operations center and 39 parking spaces .	Replace an outdated and inefficient fire station building with a state of the art building that is energy efficient and that will support new, large commercial and housing developments requiring an aerial ladder truck. The District anticipates adding six new employees at the new facility with an estimated construction payroll of \$2,083,392 that will create 39 construction jobs.		\$10,000,000	\$501,960
Total ISRF Program Loans Approved	3			Estimated FTE ⁶ Jobs: 6	Estimated Construction Jobs: 71	\$17,000,000	\$2,276,969
				Total Estimated Jobs: 77			

⁶ "FTE" means full-time equivalent.

APPENDIX 7—BOND FINANCING PROGRAMS BONDS SOLD
Fiscal Year 2009/2010

Name of Borrower	Project Location	Type of Financing	Interest Rate	Project Description	Public Benefits (Including Expected Employment Impact)	Financing Amount	Leverage
California Independent Systems Operator	Cities of Folsom and Alhambra	501(c)(3)	Fixed Rate 5.88% TIC ⁷	Construct and develop an approximately 278,000 square foot office headquarters complex, acquire and develop computer hardware, software systems and office equipment for a nonprofit public benefit corporation organized to ensure the efficient use and reliable operation of the electric transmission grid within most of the State of California	Enable the borrower to: manage the safe and reliable flow of electricity on California's high-voltage power grid; operate an efficient wholesale energy market; ensure fair and open access to the transmission grid for all qualified users; and provide market and grid information. Estimated construction payroll of the project is \$33,816,977 creating 614.7 construction jobs.	\$200,000,000	\$0

⁷ "TIC" means True Interest Cost.

APPENDIX 7—BOND FINANCING PROGRAMS BONDS SOLD
Fiscal Year 2009/2010

Name of Borrower	Project Location	Type of Financing	Interest Rate	Project Description	Public Benefits (Including Expected Employment Impact)	Financing Amount	Leverage
The John Thomas Dye School	City of Los Angeles	501(c)(3)	Fixed Rate 4.10%	Construct and acquire two 1,000 square foot buildings for administrative offices, conference rooms, and faculty workrooms; a 15,000 square foot academic center with classrooms and art, music and science labs for grades 5 and 6; and a parking structure with over 100 parking spaces at an independent elementary school.	Sustain and enhance the provision of a strong college preparatory curriculum for elementary students. An estimated five additional teachers and support personnel would be added to accommodate the increased enrollment. Approximately \$500,000 in tuition remission and scholarships are issued annually and the School underwrites four buses to transport students from throughout the greater Los Angeles area. Estimated construction payroll of the project is \$2,820,000 creating 52.5 construction jobs.	\$14,500,000	\$5,500,000
Pacific Gas and Electric Company	Sonoma, Mendocino, San Louis Obispo and Lake Counties	Exempt Facility	Variable Rate	Refund bonds previously issued by the I-Bank in 2008 for an investor-owned natural gas and electric utility to take advantage of a provision of the Federal American Recovery and Reinvestment Act that allows conversion to non-Alternative Minimum Tax bonds.	The favorable tax treatment of the interest on the 2009 Bonds will result in an estimated savings of approximately 0.10% to 1.00% in annual debt service costs over the next seventeen years. PG&E reports that it estimates this savings in debt service costs corresponds to estimated ratepayer savings ranging from \$5,000,000 to \$50,000,000 in the same period.	\$308,550,000	\$0

APPENDIX 7—BOND FINANCING PROGRAMS BONDS SOLD
Fiscal Year 2009/2010

Name of Borrower	Project Location	Type of Financing	Interest Rate	Project Description	Public Benefits (Including Expected Employment Impact)	Financing Amount	Leverage
Pueblo Serra Worship Holdings	City of San Juan Capistrano	501(c)(3)	Variable Rate	Refund existing tax-exempt Colorado Educational and Cultural Facilities Authority, and refinance outstanding taxable loans for the JSerra Catholic High School, an independent, co-educational private Roman Catholic school serving students in grades nine to twelve.	Cost savings will all the school to continue to provide an academically demanding educational curricula that meets students' intellectual, spiritual and emotional needs. All students participate in the community services programs. In addition, the School's facilities are used for community recreation and sports programs with the City of San Juan Capistrano, the San Juan Capistrano Community Mariachi Program and other events that benefit children in the community. Since inception in 2003, the School has awarded over \$1 million in financial aid and scholarships.	\$55,705,000	\$0
All Sato Kreis Holding, LLC	City of Stockton	IDB	Variable Rate	Acquire, construct, develop and equip improvements of two structures and land acquisition for a manufacturing facility that custom processes organic and conventional tree nuts operate under the name of Kennfoods.	Kennfoods currently employs eight full-time workers and anticipates hiring an additional 21 full-time workers within two years. The Project is located in a state-designated State Enterprise Zone in an area with an unemployment rate of 176.4% of the 2008 statewide rate of 7.2%, therefore it is likely the new jobs will benefit the residents in or near the zone. Estimated construction payroll of the project is \$699,200 creating 14.1 construction jobs.	\$2,500,000	\$1,126,020

APPENDIX 7—BOND FINANCING PROGRAMS BONDS SOLD
Fiscal Year 2009/2010

Name of Borrower	Project Location	Type of Financing	Interest Rate	Project Description	Public Benefits (Including Expected Employment Impact)	Financing Amount	Leverage
Goodwill Industries of San Joaquin Valley, Inc.	City of Modesto	501(c)(3)	Fixed Rate 4.35%	Acquire a 62,726 square foot parcel of land and a 14,652 square foot building to house a thrift store and job training facility.	<p>Tax-exempt financing will result in reduced operating costs, thereby increasing revenue to support expanded job training and other services to the target population. . The project is reusing a vacant 14,652 square foot vacant facility in a major shopping center that has experienced several major retail closures. Ten new full time jobs and eight part-time jobs have been created by the new facility</p> <p>Estimated construction payroll of the project is \$560,000 creating 12.2 construction jobs.</p>	\$1,820,000	\$1,075,000
Children's Institute, Inc.	City of Los Angeles	501(c)(3)	Fixed Rate 5.39%	Acquire and renovate property located at 2117-2121 W. Temple Street and 424 N. Lake Street, Los Angeles, CA to include: one 20,000 square-foot building and one 29,880 square foot building to provide a blend of clinical, educational and community services to children in located in an area of extremely high need and low resources.	<p>Provide programs and services that focus on healing children harmed by abuse or neglect; helps families provide nurturing homes, and provides leadership in developing innovative programs that contribute to the welfare of children nationwide. Eighty-eight percent of the clients served report an annual income of less than \$17,000. Almost all clients are Medi-Cal eligible. CII expects to create 30 new jobs as a result of the Project.</p> <p>Estimated construction payroll of the project is \$2,550,722 creating 47.5 construction jobs.</p>	\$14,300,000	\$1,405,000

APPENDIX 7—BOND FINANCING PROGRAMS BONDS SOLD
Fiscal Year 2009/2010

Name of Borrower	Project Location	Type of Financing	Interest Rate	Project Description	Public Benefits (Including Expected Employment Impact)	Financing Amount	Leverage
Wildwood School Inc.	City of Los Angeles	501(c)(3)	Fixed Rate 4.80%	Refund existing tax-exempt California Statewide Communities Development Authority, Series 1999 Bonds and tax-exempt CSCDA, Series 2001 Bonds; and finance additional improvements at a coeducational, independent private school serving kindergarten through 12th grade.	Refunding of the 1999 Bonds and the 2001 Bonds will result in an estimated net present value savings of approximately \$2,038,637, which will be used to provide additional funding for financial aid and efforts of the Wildwood Outreach Center that supports public and independent schools to create small, learner-centered schools. Estimated construction payroll of the project is \$120,970 creating 2.3 construction jobs.	\$9,000,000	\$997,550
Campus Facilities Improvement Association	City of San Francisco	Build America Bonds / 501(c)(3)	Fixed Rate 4.30% TIC	Construct a five-story 237,000 square foot research and lab facility, and offices located on the University of California San Francisco campus.	Expand the ability of UCSF's mission of research, diagnosis and treatment of disorders of the brain. The new facility is expected to create 360 new jobs and consolidate another 140 researchers currently housed in multiple locations. The new building is proposed for a Silver LEED certification. Estimated construction payroll of the project is \$38,241,666 creating 529.1 construction jobs.	\$207,670,000	\$0

APPENDIX 7—BOND FINANCING PROGRAMS BONDS SOLD
Fiscal Year 2009/2010

Name of Borrower	Project Location	Type of Financing	Interest Rate	Project Description	Public Benefits (Including Expected Employment Impact)	Financing Amount	Leverage
SRI International	City of Menlo Park	501(c)(3)	Variable Rate	Modernization and improvements to existing laboratory facilities in Buildings P and T; seismic retrofit of Building E; and, acquisition and installation of site chiller equipment and related infrastructure at a facility providing research, technology development and consulting services.	Enable the borrower to ensure the safety of its workforce, maintain state of the art environments to conduct research activities and help foster job growth and business expansion, both directly and indirectly, through its ability to capitalize the intellectual property developed through such research. Estimated construction payroll of the project is \$3,148,000 creating 48.3 construction jobs.	\$15,000,000	\$1,040,000
Guided Discoveries, Inc.	Cities of Claremont, Idyllwild and Long Beach, and Santa Catalina Island	501(c)(3)	Variable Rate	Refund I-Bank Bonds and finance the costs of upgrades and improvements to existing facilities as well as the acquire and install a new waste treatment facility at Camp Fox at residential youth camps that provide outdoor education and recreational programs, primarily in marine biology, ecology and astronomy.	Will enable the borrower to expand and upgrade its facilities in support of its educational and recreational programs and is expected to increase cash flow by lowering annual debt payments by approximately \$60,000. Estimated construction payroll of the project is \$677,400 creating 13.6 construction jobs.	\$4,900,000	\$1,198,700

APPENDIX 7—BOND FINANCING PROGRAMS BONDS SOLD
Fiscal Year 2009/2010

Name of Borrower	Project Location	Type of Financing	Interest Rate	Project Description	Public Benefits (Including Expected Employment Impact)	Financing Amount	Leverage
Los Angeles Council of American Youth Hostels, Inc. and/or American Youth Hostels, Inc.	City of Santa Monica	501(c)(3)	Fixed Rate 5.07%	Refund existing tax exempt debt issued by California Statewide Communities Development Authority (2000 Note) and acquire and install a variety of central systems for an existing hostel.	Will allow the hostel to continue to meet national hostel organization standards and to remain open, accessible and affordable to visitors into the future. Projected savings of the refunding will assist in the expansion of the borrower's mission, provide support to two smaller hostels, and allow the borrower to continue to provide community outreach programming. Estimated construction payroll of the project is \$100,000 creating 1.9 construction jobs.	\$2,850,000	\$200,000
Pacific Gas and Electric Company	Sonoma, Mendocino, San Louis Obispo and Lake Counties	Exempt Facility	Variable Rate	Exchange the existing tax-exempt Series 2005 E for the Series 2010 E for an investor-owned natural gas and electric utility.	The exchange of 2010 E Bonds for the 2005 E Bonds, together with a public remarketing of the 2010 E Bonds, will save an estimated \$1.4 million for gas and electric customers in interest costs on a present value basis over the next five years.	\$50,000,000	\$0
King City Joint Union High School District	City of King City	PARB ⁸ - State School Fund Apportionment Lease Revenue Bonds	Fixed Rate 5.44%	Repay a \$5,000,000 emergency apportionment made from the State General Fund, fund an \$8,000,000 increase to that emergency apportionment and fund a reserve fund.	The State's General Fund will be reimbursed for approximately \$5 million, plus accrued interest owed by the district; and the bonds will provide an additional emergency apportionment to the district to provide necessary working capital to mitigate financial distress.	\$14,395,000	\$0

⁸ "PARB" means public agency revenue bond.

APPENDIX 7—BOND FINANCING PROGRAMS BONDS SOLD
Fiscal Year 2009/2010

Name of Borrower	Project Location	Type of Financing	Interest Rate	Project Description	Public Benefits (Including Expected Employment Impact)	Financing Amount	Leverage
Pepperdine University	City of Malibu	501(c)(3)	Fixed Rate 4.68% TIC	Refund the outstanding tax-exempt California Educational Facilities Authority Revenue Bonds, 1999 Series A for a private university.	The \$1.3 million present value cash flow savings from the refinancing is estimated to provide an estimated additional 74 University students an average financial aid award of \$17,800, and/or fund the sponsorship of events and seminars open to the general public such as Time Management Workshops, Job Hunt Strategies and Cover Letter Workshop, and a Mock Interview Program.	\$15,345,000	\$0
Sanford Consortium for Regenerative Medicine	City of San Diego	501(c)(3)	Fixed Rate 4.63% TIC	Construct a 145,087 square-foot biomedical research facility known as a collaboratory. The collaboratory will have four laboratory floors and a basement that will house a vivarium, an imaging suite and an auditorium.	An estimated 350 research and support jobs will be created in a key State industry sector. It is expected that the collaboratory will earn LEED gold certification by incorporating reuse of 50% of water that would otherwise be discharged; natural ventilation, demand controls systems and lighting interior space naturally. Estimated construction payroll of the project is \$23,867,944 creating 440.1 construction jobs.	\$62,000,000	\$65,000,000

APPENDIX 7—BOND FINANCING PROGRAMS BONDS SOLD
Fiscal Year 2009/2010

Name of Borrower	Project Location	Type of Financing	Interest Rate	Project Description	Public Benefits (Including Expected Employment Impact)		Financing Amount	Leverage
Solar Atmospheres of California, Inc./Ontario Technical Associates, LLC	City of Fontana	IDB	Fixed Rate 4.00%	Acquire a 21,750 square foot building on a 2.49 acre parcel and the acquisition and installation of new equipment including multiple vacuum furnaces, ranging in size from two to 24 feet in length for a processor of commercial heat-treated metal parts for the medical, aerospace, metals, instruments and various other industries.	Reuse of vacant land with developed infrastructure that is located near a public transit corridor. An estimated 11 full time jobs are expected to be created within two years of project completion, in an area with an unemployment rate that exceeds the State rate by 118%. Estimated construction payroll of the project is \$1,072,200 creating 21.6 construction jobs.		\$7,350,000	\$936,000
Total Bond Financing Programs Bonds Sold	17				Estimated FTE Jobs: 787	Estimated Construction Jobs: 1797.8	\$985,885,000	\$78,478,270
					Total Estimated Jobs: 2584.8			

**APPENDIX 8—AUDITED STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS OF THE
CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK⁹
(A COMPONENT UNIT OF THE STATE OF CALIFORNIA)
Fiscal Year 2009/2010**

	California Infrastructure and Economic Development Bank Fund	California Infrastructure Guarantee Trust Fund	Total
OPERATING REVENUES			
Interest on loans receivable	\$ 10,694,987		\$ 10,694,987
Administration fees	\$ 1,830,283		\$ 1,830,283
Total operating revenues	<u>\$ 12,525,270</u>		<u>\$ 12,525,270</u>
OPERATING EXPENSES			
Interest on bond debt	\$ 5,846,017	\$	\$ 5,846,017
Amortization of bond issuance costs	\$ 99,620		\$ 99,620
Program support ¹⁰	\$ 3,545,456		\$ 3,545,456
Total operating expenses	<u>\$ 9,491,093</u>		<u>\$ 9,491,093</u>
OPERATING INCOME	\$ 3,034,177		\$ 3,034,177
NONOPERATING REVENUE			
Investment income	\$ 231,437	157,074	\$ 388,511
Total nonoperating revenue	<u>\$ 231,437</u>	<u>\$ 157,074</u>	<u>\$ 388,511</u>
Change in net assets	\$ 3,265,614	\$ 157,074	\$ 3,422,688
NET ASSETS, Beginning of year	\$ 239,231,910	\$ 24,156,758	\$ 263,388,668
NET ASSETS, End of year	<u>\$ 242,497,524</u>	<u>\$ 24,313,832</u>	<u>\$ 266,811,356</u>

⁹ The Statement of Revenues, Expenses and Changes in Net Assets is prepared on an accrual basis of accounting in accordance with generally accepted accounting principles. Data is from the audited basic financial statements of the I-Bank for the year ended June 30, 2010.

¹⁰ Program support expenses represent administrative expenses of the I-Bank.

**APPENDIX 9—STATEMENT OF CASH FLOWS BY PROGRAM OF THE
CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK¹¹
(A COMPONENT UNIT OF THE STATE OF CALIFORNIA)
Fiscal Year 2009/2010**

	California Infrastructure and Economic Development Bank Fund		California Infrastructure Guarantee Trust Fund	Total
	ISRF Program	Bond Financing Programs ¹²		
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipt of interest on loans receivable	\$10,153,789	--	--	\$10,153,789
Receipt of administration fees	\$956,115	\$735,947	--	\$1,692,062
Receipt of loan origination fees	\$271,208	--	--	\$271,208
Receipt of principal on loans receivable	\$10,721,844	--	--	\$10,721,844
Payment of outstanding loan commitments ¹³	(\$21,191,992)	--	--	(\$21,191,992)
Payment of program support	(\$2,142,175)	(\$943,003)	--	(\$3,355,178)
Net cash used for operating activities				(\$1,708,267)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES¹⁴				
Payment of principal on bond debt	(\$4,695,000)	--	--	(\$4,695,000)
Payment of interest on bond debt	(\$6,317,764)	--	--	(\$6,317,764)
Net cash provided by noncapital financing activities				(\$11,012,764)
CASH FLOWS FROM INVESTING ACTIVITIES				
Receipt of interest on investments	\$233,940	\$10,814	\$213,940	\$458,694
Net cash provided by investing activities				\$458,694
CHANGE IN CASH AND EQUIVALENTS				(\$12,262,337)
CASH AND EQUIVALENTS, Beginning of year				\$125,709,510
CASH AND EQUIVALENTS, End of year				\$113,447,173

¹¹ This information is being provided pursuant to Government Code Section 63035(d). Cash flow data is from the audited basic financial statements of the I-Bank for the year ended June 30, 2010, except administration fees, program support and interest on investments data is from internal I-Bank records.

¹² Conduit bonds issued through the I-Bank's Bond Financing Programs do not constitute a debt or liability of the State or of any political subdivision of the State, other than a limited obligation of the I-Bank payable solely from the pledged revenues of the conduit borrower, nor are a pledge of the faith and credit of the State or any political subdivision thereof. As such, the conduit bonds issued by the I-Bank's Bond Financing Programs are not reflected on the I-Bank's financial statements.

¹³ "Payment of outstanding loan commitments" means loan disbursements and also means local assistance.

¹⁴ "Cash flows from noncapital financing activities" represents the payment of principal and interest on bonds issued by the I-Bank to leverage the ISRF Program.